



# CASE STUDY



## Carter's Chooses NFI to Expand and Streamline Its Distribution Network

fast

smart

responsible

As the largest branded marketer of apparel for young children and babies, Carter's operates more than 418 retail stores. They also sell their products in most major US retailers and can be found in more than 18 countries worldwide.

### The Challenge

Due to strong growth and the acquisition of the Oshkosh B'Gosh® brand in 2005, it became an operational necessity to combine and streamline their warehouse and distribution network in order to provide quick service for all their customers as well as their own retail outlets. With all of the distribution capacity located predominantly south east of the country, it became geographically important to find a west coast distribution center to handle the major mass retail channels and consolidate their internal southeastern distribution network.

### The Solution

With the goal of a 2006 start date, Carter's chose NFI to become its warehousing and distribution partner on the west coast. NFI was chosen for a number of reasons:

**Capacity:** NFI already had the capacity available in their state-of-the-art, two million square feet distribution center in Chino, CA, including a trained labor pool of nearly 500 employees.

**Seamless Integration:** Due to NFI's unique ability to adapt to a customer's operating and sales order management system, Carter's spent very little time modifying their internal systems. All communication was fully integrated and visible to all parties at all time.

**Flexibility:** NFI's flexible west coast operations system and labor sharing techniques allowed Carter's to quickly and easily flex up or down to manage their seasonal shifts and monthly volume swings. Even when those swings were sometimes communicated on short notice, NFI was able to flex up the capacity to meet the customer requirements.

**Experience:** NFI had plenty of experience handling liked-sized retailers in their other facilities and was able to share best-in-class technology and processes throughout their campus.

### The Result

NFI easily met the April 2006 start-up date, and since then, has ensured that each case of Carter's products gets accurately scanned and labeled during receiving and shipping, and most importantly, shipped on-time to meet all of Carter's customer's required ship dates.

Carter's started with an initial 100,000 sq. ft. distribution footprint at the Chino facility and today has increased it to 413,000 sq. ft.

In May of 2008, NFI began to distribute product to the Carter's and OshKosh retail stores from the west coast facility. Total throughput from 2007 was over 8 million cases, and that number has increased 49% in 2008.

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*Please pass on my thanks to your team for a job well done. You had to execute increased volume in the last couple of days, and the NFI Distribution group performed at an outstanding level. In fact, I don't think the transition to NFI could have been executed any better. Thank you for being great partners." — Carter's, VP*

